



U.S. Department of Justice

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For Immediate Release:

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EVENT: Sentencing

Defendant: Amjad M. Khan

HOME HEALTH CARE OWNER GETS 33 MONTHS FOR MEDICARE SCAM

The former owner of one of Michigan's largest home health care companies was sentenced to 33 months in prison by a federal judge after being convicted of trying to steal more than \$1 million from Medicare, United States Attorney Stephen J. Murphy announced today. Joining U.S. Attorney Murphy in the announcement were Andrew G. Arena, Special Agent in Charge, Federal Bureau of Investigation; Thomas Spokaeski, Assistant Special Agent in Charge, Health and Human Services, Office of Inspector General; Nichole Cooper, Inspector in Charge, U.S. Postal Inspection Service.

Amjad M. Khan, 64, of Troy, was sentenced by United States District Court before Judge Nancy Edmunds.

Khan, a certified public accountant and former chief executive officer of American Home Health Care Inc. ("AHHC"), of Warren, was determined to have submitted fraudulent claims for non-reimbursable expenses to Medicare on four cost reports filed between 1995 and 1999.

In January, Judge Edmunds determined after a multi-day hearing that Khan's scheme cost Medicare a loss of \$1,067,699.

"This sentence sends a message that health care fraud is a serious offense and that my office is committed to making sure that those who steal from a government program designed to care for our most vulnerable citizens will not go unpunished," said United States Attorney Murphy. "Health care fraud is a silent tax forcing honest citizens

and corporations to pay more for health insurance premiums and medical services than they should. It forces senior citizens to pay higher premiums and wastes dollars that could otherwise be spent taking care of the sick.”

Khan, along with his brother Iftakhar Khan, were indicted in September 2003 in a 20-count Indictment. The indictment alleged that the Khan and his brother, who ran another home health care company, committed mail fraud, wire fraud and health care fraud when their companies sought fraudulent reimbursements for Medicare, for such things as the salaries of spouses who did no work and for wages to marketers, whose actual positions were misrepresented on eight cost reports filed between 1995 and 1999. The two companies, which in their prime during the 1990s had more than 200 employees, ceased doing business shortly after a search warrant was executed in March 2000 by agents for the FBI, the U.S. Department of Health and Human Services-- Office of Inspector General (HHS-OIG) and the Postal Inspection Service.

In a separate civil suit, the United States seized more than \$650,000 worth of Amjad Khan's assets when he fled to Pakistan shortly after his Indictment. Those funds remain frozen and are subject to a False Claims Act lawsuit in which the United States is seeking treble damages of more than \$7 million. After his funds were attached in October 2003, Amjad Khan returned to the United States to face criminal charges. His home in Rochester Hills was sold last year by the Court order after he failed to make house payments on it as required under an agreement with the United States.

Amjad Khan pleaded guilty to one count of health care fraud in August 2006. His brother, Iftakhar Khan, pleaded guilty to one count of health care fraud in January 2007, and is scheduled to be sentenced at 2 p.m. June 18, 2007.

The case is being prosecuted by Assistant United States Attorneys Paul Burakoff and James Mitzelfeld.